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The White House Office of Director Food for Peace

THE ROLE OF FOOD FOR PLACE IN U. S. OVERSEAS OPERATIONS

I salute Secretary Freeman for his wisdom and imagination in calling this important national conference. It is a significant occasion for many reasons. Among them is an important anniversary. It was one year ago this month that President Kennedy issued the first executive order of his new Administration -- expanding the Nation's feeding program for needy Americans. The President's second executive order of January twenty-fourth created a Food For Peace office in the White House. In an accompanying memorandum, the President said:

"America's agricultural abundance offers a great opportunity for the United States to promote the interests of peace in a significant way and to play an important role in helping to provide a more adequate diet for peoples all around the world. We must make the most vigorous and constructive use possible of this opportunity."

The fact that President Kennedy devoted his first two executive orders to the subject of food and people is indicative of his great personal interest in the subjects we are here to discuss today.

Today -- one year later -- let us take a look at the progress of the Food For Peace program and a few of the ways the President's

Address by George McGovern, Special Assistant to the President, Director, Food for Peace, Conference on Food and People, Thomas Jefferson Auditorium, U. S. Department of Agriculture, Wednesday, January 10, 1962, at 2:45 p.m. (EST).

executive order had been implemented during the past year.

- (1) The negative concept of "surplus disposal" has been replaced by a positive view of U. S. agricultural abundance as a precious national resource. This change in concept is fundamental to the success of the program. It has given rural America an appreciable stake in American foreign policy. It has resulted in much greater appreciation for U. S. food aid both at home and abroad. Critical food shortages in Asia, Africa, Latin America, and the Sino-Soviet Eloc highlight the enormous food assets of the United States. Food is our most valuable material resource, and our clearest advantage in any competition with the Communist world. Mr. Khrushchev paid the farmers of America a great compliment when on his first trip to the United States he devoted a significant portion of his time to observing one of our farms at Coon Rapids, Iowa. Since then he has been lecturing Soviet farmers on the need to use production techniques that have long been practiced by American farmers.
- (2) Sixty billion pounds of U. S. commodities were programmed in 1961 for overseas shipment under Food For Peace authority. This has been made possible by the cooperation and vigorous efforts of the Departments of Agriculture and State and the Agency for International Development.

Secretary of Agriculture Freeman has been a strong and effective advocate of Food For Peace. At a time when the Department of Agriculture is meeting criticism for its growing budget, it should be recognized that Food For Peace commitments, including ocean freight, are paid largely by USDA. The Commodity Credit Corporation's investment plus ocean freight cost for commodities programmed by Food For Peace in 1961

is approximately \$4 billion. Following an interagency meeting in my office, USDA took the major responsibility for the preparation of a worldwide country-by-country survey of food resources and deficits, entitled, "The World Food Budget, 1962 and 1966." This is an invaluable document in projecting future Food For Peace possibilities. The Secretary responded quickly to requests from this office for more non-fat dry milk and edible oils and the development of bulgur wheat for distribution by the voluntary agencies. He has also taken initial steps to shift U. S. production away from surplus feed grains to needed protein foods.

The Department of State and the AID have demonstrated a growing awareness of the importance of food in foreign assistance. Officials in State and AID in cooperation with the Department of Agriculture are taking steps toward a much-improved integration of food with other overseas development resources.

Although progress is being made, there is a need for more consideration by U. S. loan agencies and foreign assistance planners of the possibilities of using food to supplement dollar aid. No United States official should give final clearance to a foreign loan until he is convinced that

the possibility of using food as a substitute or supplement for aid dollars has been fully evaluated.

(3) Food as an instrument of economic development has been sharply increased. Two countries, Tunisia and Afghanistan, were using U.S.-donated food for the partial payment of wages on Public Works projects at the beginning of the year. Eleven countries have such programs today, and negotiations are underway with 25 others. Because workers in the developing countries devote over 50% of their wages to food, it is clear that we can use food to underwrite a considerable part of the cost of development projects which have a high labor component. This can be done either by paying workers part of their wages directly with food, or by using the local currency from food sales for wages. In either case, our surplus food not only underwrites employment and development, it also counters the inflation of food prices that would otherwise accompany development projects. For example, India's five-year plan depends heavily on our agreement to supply them with 4 million tons of wheat annually. They could not undertake broad economic development without first securing such a supplementary source of food for their workers. The rulers of the Chinese mainland are now painfully realizing this fact. The entire Chinese development effort has been plagued by food shortages. The Chinese are

now being forced to exhaust precious foreign exchange for food purchases from Australia, Canada, and France.

(4) Important new school lunch programs were established in a number of countries in 1961. Ambassador James Loeb of Peru advises that the first Latin American government-to-government school lunch program, which I signed with Prime Minister Pedro Beltran in May, has had a remarkably good impact. Aside from noticeable nutritional improvements, school attendance has increased by 40% as a direct result of this program. Equally enthusiastic reports have been filed by Ambassador Galbraith and others on the 1961 programs. The U.S. -CARE school feeding program in Egypt has had a pronounced effect on U.S. -UAR relations.

Nothing is more important than the health and well-being of the world's children. School lunch programs contribute to nutrition, school attendance, and academic performance. They do not upset commercial markets and can be administered largely by local teachers and parents. Peace Corps teachers, when available, could be briefed to assist in the program.

The commodities are owned by the Government, and the alternatives to using them is continued storage charges, deterioration, and depressed market prices. What more constructive use is there for our surplus food reserves than the feeding of hungry boys and girls the world around!

(5) Three nations have signed agreements to purchase food for long-term loans with repayment in dollars. These agreements, with El Salvador, Venezuela, and Portugal, represent the first of this kind.

- (6) In 1960, 54 million persons were fed with U. S. foodstuffs donated to private voluntary agencies. That number has been increased by 10 million in 1961, and further increases are in the making. Voluntary agencies have established feeding programs in eight additional countries this year.
- (7) Food For Peace moved swiftly to meet famine, flood, and other disaster conditions in the Congo, Vietnam, Kenya, North Africa, and other areas in 1961. Steps have been taken to broaden and add flexibility to our refugee feeding programs.
- (8) An American Food For Peace Council, representing a broad crosssection of the public, has been organized to develop public understanding and support for the program.
- (9) A U.S. Freedom From Hunger Foundation has been established to support the U.N. Food and Agriculture Organization's five-year campaign against hunger. Former President Truman was named by the President as honorary chairman.
- (10) As delegate to the FAO meeting in Rome in April, I suggested, with the President's approval, that the United States would contribute \$40 million in surplus commodities toward an overall U.N. food bank of \$100 million in food and cash. That proposal, which the President announced on April twenty-second, has since been approved by the FAO Conference and the United Nations and is being implemented within the U.N. system. It has had the strong support of Secretary Freeman and The Administration. It provides an excellent vehicle to test multilateral food aid programs. Such areas as the Congo are a natural field for U.N. food assistance.
- (11) An interagency committee has been established to evaluate new food processes that will increase the effective use of our foodstuffs abroad.
  - (12) I have proposed that the Alliance for Progress can be assisted

by a formula under which the United States would provide feed grains to
Latin America poultry-raising cooperatives. Part of the poultry proceeds
could be used to finance social and economic projects. This is
another way in which cereal surpluses can be converted to high-protein
foods.

These are just a few of the positive accomplishments of the Food For Peace program during the past year. The program has proved to be the most ambitious and imaginative effort in world history to construct a bridge between the abundance of the United States and the undernourished half of the world that cries for food.

It helps the United States find constructive outlets for our surplus food production, it reduces our storage costs, it stimulates our shipping industry and our ports, it bolsters farm income, it develops future dollar markets overseas, it raises purchasing power of other countries, and it strengthens U. S. foreign policy objectives.

On the other side, sharing our food abundance reduces human misery, sickness and premature death. It gives men the strength to work, students the energy to study, and brings nourishment and hope to millions. In supplementing the resources and the energy of food-deficient countries, the Food For Peace Program has become a powerful ingredient in economic and social development.

Why do we call such efforts "Food For Peace?" Because we know that there is no lasting peace in the world of the hungry, the sick, and the insecure. "Man cannot live by bread alone," but neither can he live

without it.

It is significant that the great prayer familiar to us all,

"Give us this day our daily bread," has vastly different meanings to

Americans than it does to others. For us, it has become an expression

of gratitude for the bounty we enjoy. But for the villagers and

peasants whose huts I visited in Northeast Brazil, it is a prayer

born of hunger and despair.

In most of the mud and thatch huts, there is nothing to eat, save a few beans and the perennial manioca root. The distended belly, the skinny arms, and the sunken faces tell the story.

Watching my reaction to the appearance of a shapeless, forlorn, prematurely old mother, whose husband told me she was only 25, our Brazilian guide, a brilliant young economist, said: "She is the symbol of the underdeveloped country."

Food For Peace speaks to these people and millions like them in nearly one hundred underdeveloped countries. Remember, when we speak of underdeveloped countries, we are speaking of Ghana, where there are four doctors for each 100,000 people; Pakistan, where life expectancy is 30; Vietnam, where there are 14 teachers for each 10,000 people; and Iran, where illiteracy marks 85% of the population.

Why are problems such as these related to Food For Peace? Because this Program involves not only the feeding of the hungry; it involves a

broad range of economic and social development possibilities that require food from the United States if they are to succeed.

Thus, Food For Peace has become a major arm of our overseas assistance program, as well as a partner of American agriculture.

I have stressed today the aspirations of Food For Peace. We know that there are also many problems associated with so vast a program -- problems of distribution, storage, transportation, local eating habits, and the protection of commercial markets.

Until such time as these problems can be solved, it is unrealistic for us to believe that Food For Peace is an invitation to irresponsible, all-out production here at home. That is why Secretary Freeman and his associates have undertaken a heroic effort to gear American production to our actual needs.

But we all look to the day when no child will cry from hunger anywhere on the earth.

Food For Peace works toward that end.



